

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6328

BILL NUMBER: HB 1141

NOTE PREPARED: Dec 4, 2009

BILL AMENDED:

SUBJECT: Admissions Preference for Indiana Residents.

FIRST AUTHOR: Rep. Stevenson

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☐ **DEDICATED**
☐ **FEDERAL**

IMPACT: State

Summary of Legislation: This bill requires a state educational institution to limit the admission of students who are not Indiana residents to not more than 25% of each freshman class. It makes an exception if all Indiana residents who meet the state educational institution's standards for regular admission and have applied have been admitted.

The bill requires a state educational institution to give priority in graduate school admissions to Indiana residents.

Effective Date: July 1, 2010.

Explanation of State Expenditures: The bill could increase state expenditures for higher education if the number of resident students increases. The state currently provides an adjustment for state institutions with a history of growth. The adjustment is based on a four-year rolling average. The adjustment for enrollment change was \$1,750 per student for FY 2010 and \$2,250 for FY 2011. The enrollment change calculation does not apply to Indiana University - Bloomington, Purdue University - West Lafayette, Indiana State University, or Ball State University. The increase in expenditures would probably be minor, and the adjustments would not be made until at least the 2011-2013 biennium.

Explanation of State Revenues: Universities could experience a decrease in fee revenue if the number of resident students increased. The difference in resident tuition and nonresident tuition ranges from about \$5,200 to \$17,000, depending on the state institution.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State educational institutions.

Local Agencies Affected:

Information Sources:

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